Prices of essential commodities

1843. SHRI JANARDHANA POOJARY: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that Government have taken steps to ensure remunerative prices to farmers for their rice, wheat and sugarcane and allowed import of adequate quantity of wheat and pulses at 'zero' duty and import of edible oils at reduced rate of customs duty;

(b) if so, the details thereof;

(c) whether notwithstanding the above measures, prices of essential commodities, including grains, pulses and edible oils, is spiraling to new highs and beyond reach of poor people; and

(d) if so, the details thereof and the measures proposed to be taken to contain the prices?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI TASLIMUDDIN): (a) and (b) Yes, Sir. In order to ensure remunerative prices to farmers, Government has announced Minimum Support Prices (MSPs) for major agricultural commodities including paddy, wheat and sugarcane as given below:

(Rs. per quintal)

Crop	MSP for 2005-06	MSP for 2006-07
Paddy (common)	570	580#
Wheat	650$	750
Gram	1435	1445
Masur	1535	1545
Arhar	1400	1410
Sugarcane @	79.50	80.25

\# An additional bonus of Rs. 40 per quintal is payable on procurement between 1.10.06-31.03.07.

$ An Additional incentive bonus of Rs. 50 per quintal is payable on wheat over the MSP for 2005-06.

@ Statutory Minimum Price linked to a basic recovery of 9% with proportionate premium for every 0.1% increase in recovery above that level.

In order to supplement domestic availability and contain the rise in prices, Government has also permitted imports of wheat and pulses at zero duty Import of edible oils at reduced rate of customs duty has been permitted with effect from 11.08.06.

(c) and (d) No, Sir. As a result of the measures taken by the Government, retail prices of sugar, tur dal and gram dal have registered a decline at several centres over the past one month. Retail prices of certain commodities at Delhi have declined over the past one month as indicated below:

Commodity	Retail price at Delhi (*Rs. per kg*)	
	As on 4.12.2006	One month back on 4.11.2006
Gram dal	40.00	42.00
Tur dal	34.00	35.00
Sugar	20.00	21.00
Potato	9.00	17.00
Onion	10.00	11.00

However, retail prices of wheat have increased from Rs. 11.00 per kg to Rs. 12.00 per kg at Delhi during the past one month. Government has already taken several measures for checking the rise in prices and for augmenting supplies of essential commodities. Some of the important measures taken by the Government are given below:

(i) State Trading Corporation has contracted for import of 55 lakh tonnes of wheat to supplement domestic availability.

(ii) Private trade has been permitted to import wheat at zero duty from 9th September, 2006 as against the normal applicable duty of 50 per cent. Duty was earlier reduced to 5 per cent on June 27, 2006.

(iii) Customs duty on import of pulses was reduced to zero on June 8, 2006 and a ban was imposed on export of pulses with effect from June 22, 2006. Government have issued a Notification on 4.12.06 extending the period of validity of import of pulses at zero duty upto 1.8.2007.

(iv) Duty on palm group of oils was reduced by 10 percentage points in August 2006.